

U.S. Federal Crop Insurance Corporation.

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W H E A T

(Dollar Coverage Insurance)

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The Federal Crop Insurance Corporation offers in designated counties under annual contracts low-cost insurance of a major part of the investment in producing a wheat crop against loss resulting from unavoidable causes such as:

Drought

Wind

Frost

Flood

Hail

Fire

Snow

Excessive Rain

Plant Diseases

Insect Infestation

It does not cover losses arising from avoidable causes such as neglect, poor farming practices, or failure to reseed where it is practical to do so.

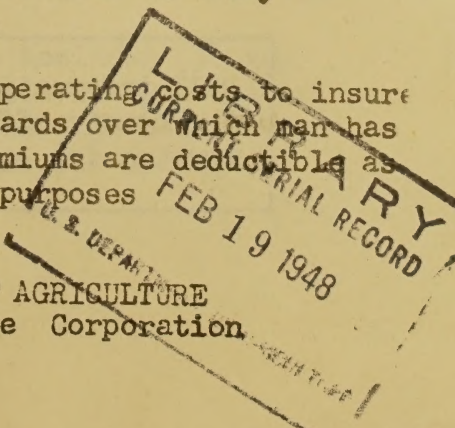
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A Federal crop insurance premium buys protection -- from seeding through harvest -- of the "out-of-pocket" production costs from the many hazards that may damage or destroy a wheat crop.

It adds but a small amount to operating costs to insure against the many production hazards over which man has no control. Crop insurance premiums are deductible as operating costs for income tax purposes

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U. S. DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation



WHEAT CROP INSURANCE

Under present legislation Federal crop insurance protection on wheat can be offered in only 200 counties.

Only wheat on land for which the Federal Crop Insurance Corporation establishes a coverage and rate can be insured so some producers in these counties will not be able to obtain this protection.

Crop insurance premiums are used ONLY to pay losses to insured producers. Administrative costs are carried by the Federal Government as a service to farmers. Premiums collected in excess of losses paid can be used only to accumulate a reserve for use in years when losses exceed premiums. The accumulation of an adequate reserve will make possible reductions in premium rates.

Losses paid to farmers under the program are, of course, the major factor in determining adjustments in premium rates. Consequently, it is in the best interest of the majority of producers that only sound risks be insured under the program. For the same reason, it is in the interest of the majority of producers that loss adjustments be made fairly and properly. Lax adjustments or insuring bad risks would be improper use of farmers' premiums.

Crop insurance is a farmers' program -- with each insured paying a small amount for protection against unavoidable production risks so that none among them will suffer a disastrous loss.

Full information is available through the county office on the coverage and premium for each insurance unit.

COVERAGE PER ACRE

A coverage and premium rate -- expressed in dollars acre -- are established by the Federal Crop Insurance Corporation for all insurable acreage in the county.

There are three progressive coverages each expressed in dollars per acre. The first coverage applies to acreage released for planting a substitute crop, the second to other unharvested acreage and the third to harvested acreage.

The first coverage (acreage released for planting a substitute crop) is half the second coverage (other unharvested acreage), and the third coverage (harvested acreage) is \$1.60 per acre higher than the second.

Any production appraised by the adjuster is charged against the coverage on unharvested acreage unless it is released for a substitute crop when only the amount (if any) by which the appraisal exceeds the coverage is charged against the coverage.

DETERMINING LOSSES

A fixed price of \$1.60 per bushel has been established under the 1948 contract for computing the value of production in determining losses.

The indemnity due a producer is the amount by which the value at \$1.60 per bushel of production on the insurance unit falls short of the insured coverage.

Production on an insurance unit includes (1) any wheat harvested and (2) production charged against coverage for acreage released, acreage unharvested or for losses from causes not insured against.

OTHER CONTRACT PROVISIONS

It is an annual contract -- for one year only.

A Federal crop insurance contract covers your interest in all insurable wheat acreage in the county in which you have an interest at the time of seeding.

If your wheat crop is destroyed while there is still time to reseed and it is a customary practice in the area to reseed, you are expected to do so. If this acreage is not reseeded, it will not be insured.

Insured acreage destroyed or substantially destroyed may be released by the Corporation for other use, BUT no acreage may be put to another use until a release in writing is obtained from the Corporation.

An assignment against the insurance contract may be made as collateral for a loan.

WHAT YOU DO

File an application before March 15, the closing date.

After you have completed seeding, make a report of the acreage seeded to wheat and your interest in the crop at the time of seeding.

Seed, care for and harvest the crop in accordance with good farming practices.

Report immediately to the county office any material damage to the crop if you believe that a loss under the insurance contract may result. Any loss under the contract must be reported within 15 days after harvest.

Pay your premium promptly. It comes due about harvest time, but you may pay it earlier. It can be computed as soon as you make your acreage report.

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DON'T INSURE TO COLLECT
INSURE TO PROTECT